

Records Access Officer's letter dated August 5, 2016 regarding a request for confidential treatment of Time Warner Cable's ("TWC's") 2015 Customer Service Annual Report ("Report") submitted on February 1, 2016 in proceeding 09-01904.¹

4. The Report is a compilation of detailed, competitively sensitive customer service-related information ("Confidential Information"). The Report contains information regarding the number of calls our Customer Service Centers received in a given time period, the time (within 30 seconds) calls were answered, the average seconds a customer was on hold, the number of calls abandoned by incoming callers, and the estimated percentage of time callers received a busy signal. This information also details service standard performance information including the number of requests for standard installations and completion rate, the number of service interruptions and response times, the number of service calls to subscribers' residences, and the amount of credit issued for no-show appointments.

5. The purpose of this Declaration is to explain how the information in the Report is a trade secret as well as confidential commercial information that, if disclosed, would cause substantial competitive injury to Charter.

TRADE SECRET

Prong One: The Trade Secret General Definition

Formula, Pattern, Device, or Compilation of Information

6. The Confidential Information contained in this Report is a compilation of information derived from a variety of sources including several internal company databases. Data sources

¹ It should be noted that the Confidential Information at issue was generated by Time Warner Cable during 2015, prior to the merger of Time Warner Cable Inc. and Charter Communications, Inc. which was consummated on May 18, 2016.

include information drawn from Charter's internal sources such as data bases, operating systems, and third party billers.

7. The creation of Charter's internal data is a multi-step process that combines information from the various call centers, field operations, and network operations using special algorithms. Specific data from the internal databases, operating systems and third party billers is extracted, and used to calculate the performance metrics, and then compiled into its final format as included in the Report.

Used in One's Business

8. The Confidential Information is used not only to report customer service availability and service standards for cable services to the Commission, the Confidential Information and the underlying data is also used internally by Charter to gauge the success rate of Charter's customer service efforts, analyze which areas need improvement, and identify underlying root causes.

Opportunity to Obtain Advantage over Competitors Who Do Not Know or Use It

9. With the near ubiquitous availability of Satellite, wireless providers, Over the Top ("OTT") services, competitive service providers and incumbent carriers, Charter is in constant and ever-increasing competition. As such, the Confidential Information and underlying data has tangible financial and strategic value to Charter's competitors. If allowed access to the data, competitors would receive a tangible financial benefit, in terms of being spared the cost of independently collecting market data and information about Charter's network, service, and subscribers.

10. Competitors would also receive competitively valuable insight into Charter's basis for strategic decision-making involving its future investments and business plans regarding customer service, new installations, and network operations.

11. If disclosed, the Confidential Information would provide valuable insights into Charter's business and operations, resulting in competitive harm to Charter. Competitors would be able to extract highly confidential business operations information and tailor their own marketing and business strategies for challenging Charter and use this information in negative marketing campaigns.

Prong Two: The Trade Secret Factors:

Factor 1: Extent to Which Information Is Known Outside of the Business

12. The Confidential Information is not otherwise publicly available, is not known outside of Charter's operations, and is not disclosed to the investment community. The limited employees who have access to this information are required to participate in annual training to ensure compliance with data protection practices and avoid inadvertent disclosure.

Factor 2: Extent To Which Information Is Known by Employees and Others Involved in the Business

13. The Confidential Information is only known to employees of Charter participating in customer service and regulatory practices areas, and is not widely dispersed throughout Charter. The Confidential Information is aggregated for all New York State operations and was collected from various offices and compiled centrally, effectively limiting access to the information. Charter ensures that the Confidential Information is made internally available only to those who need to access the data to perform their job functions. Only management who are involved in the strategic planning and high-level business decisions have access to the Confidential Information in its compiled form.

Factor 3: Measures Taken By the Business to Guard the Secrecy of the Information

14. As noted in paragraph 13, only management who are involved in the strategic planning and high-level business decisions have access to the Confidential Information. It is not accessible to all employees and is maintained on a “need to know” basis. Charter employs a variety of measures to restrict access to sensitive and confidential information, including the use of password-protected shared document libraries, restricting access to information by job description and category, and by requiring all employees to participate in annual training to ensure compliance with data protection policies and practices.

Factor 4: Value of Information to the Business and Its Competitors

15. Compilation of the information was a costly and complex endeavor. As noted in paragraphs 6 and 7, a number of internal databases and information resources were used to develop the information. While the Confidential Information cannot be ascribed a precise dollar value, it is very valuable as it will provide competitors an advantage and unique insight for marketing plans to target Charter customers. If competitors were to obtain the information, they could – and given the opportunity would – use the Confidential Information to develop competitive strategies aimed at Charter subscribers and engage in negative marketing campaigns directed at Charter. In particular, service interruption data, which includes both larger outages as well as limited customer outages, would be susceptible to being misconstrued by competitors in marketing efforts.

16. Charter uses the Confidential Information to analyze customer service data and identify root causes to effectively target resources and investments in order to retain subscribers and obtain new customers. Charter has committed to significant investments in these areas, and to risk loss of existing or future customers because the Confidential Information were to be made

available to competitors who would inaccurately or inappropriately use the Confidential Information would cause substantial injury to Charter through actual loss of subscribers.

Factor 5: Amount of Effort and Money Expended to Develop the Information

17. Charter has expended significant resources and employee efforts to develop and maintain the data required to derive the Confidential Information. Charter has expended millions of dollars and devoted considerable amounts of employee time over the past several years to develop and maintain the data resources relied upon in generating the Confidential Information.

Factor 6: Ease or Difficulty With Which the Information Could be Properly Acquired or Duplicated by Others

18. Because preparation of the Confidential Information requires access to information available only to Charter, it would be costly, complex, time-consuming, and extraordinarily difficult for others to duplicate. Even to replicate rough estimates of the Confidential Information, a third party would have to expend a tremendous amount of time and money by, for instance, performing individual queries or surveys of each of Charter's current and past subscribers.

CONFIDENTIAL COMMERCIAL INFORMATION

Competitive Environment

19. Robust competition exists in the video business in New York State as evidenced by the many cable franchises that have been granted to competitors and others in Charter's footprint in New York, by the availability of satellite video service throughout New York State (e.g., DirecTV), and by the aggressive marketing these companies have undertaken in New York State. TWC provides cable television service pursuant to franchises from over 1,000 municipalities in New York State. Charter's cable television customers also have many competitive alternatives

through Satellite video providers, wireless providers, OTT and others. There is significant competition for video service throughout New York State.

20. In addition, because the Company's network provides a variety of bundled services, including voice, data and video services, negative marketing could take place by competitors in any of these market segments. Misconstruing or mischaracterizing Charter's cable service quality would have negative market share implications for all of its voice, video and data customer base.

Commercial Value

21. As noted above in paragraphs 15 and 16, while the Confidential Information cannot be ascribed a precise dollar value, it is very valuable as it will provide competitors an advantage and unique insight for marketing plans to target Charter's customers. If competitors were to obtain the information, they could – and given the opportunity would – use the Confidential Information to develop competitive strategies aimed at existing and prospective Charter subscribers and engage in negative marketing campaigns directed at Charter. Charter has committed to significant investments in these areas, and to risk loss of existing or future customers because the Confidential Information were to be made available to competitors who would inaccurately or inappropriately use the Confidential Information would cause substantial injury to Charter through actual loss of subscribers and a declining base of new customers which would ultimately affect Charter's ability to make future investments.

Cost of Acquiring Through Other Means

22. As noted above in paragraph 18, because preparation of the Confidential Information requires access to information available only to Charter, it would be costly, complex, time-consuming, and extraordinarily difficult for others to duplicate. Even to replicate rough estimates

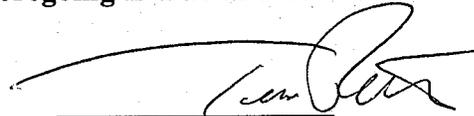
of the Confidential Information, a third party would have to expend a tremendous amount of time and money by, for instance, performing individual queries or surveys of each of Charter's current and past subscribers.

23. As noted above in paragraphs 12 through 14, the only way competitors could access this information in its compiled form would be through disclosure under the Freedom of Information Law ("FOIL") or by expending a significant amount of time and money to develop mere estimates of the Confidential Information.

Conclusion

24. In my opinion, the Confidential Information in the Report is a trade secret as well as confidential commercial information that, if disclosed, will harm Charter because (a) it will allow competitors to benefit from Charter's own costly efforts to develop data, thus reducing the competitors' costs as compared with Charter's; and (b) it will provide a road map on how to compete against Charter more effectively. In either case, the result will be competitive harm to Charter in terms of lost customers, lost revenues, lost investments, and lost future business opportunity.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.



Terence Rafferty

August 18, 2016